

# SUMMARY ANALYSIS OF AMENDED BILL

## Franchise Tax Board

Author: Peace Analyst: Roger Lackey Bill Number: SB 129

Related Bills: See Prior Analysis Telephone: 845-3627 Amended Date: 07-08-99

Attorney: Patrick Kusiak Sponsor:

**SUBJECT:** Personal Information And Privacy Act Of 1999/Personal Information

DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended \_\_\_\_\_.

AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.

AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced/amended \_\_\_\_\_.

FURTHER AMENDMENTS NECESSARY.

DEPARTMENT POSITION CHANGED TO \_\_\_\_\_.

☒ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS AMENDED March 17, 1999, STILL APPLIES.

☒ OTHER - See comments below.

### SUMMARY OF BILL

This bill would create the Personal Information and Privacy Act of 1999, which would require organizations creating, maintaining, using, or disseminating records of personal information to take reasonable measures to ensure its reliability for its intended use and to take reasonable precautions to protect it from loss, misuse, unauthorized access or disclosure, alteration, or destruction.

### SUMMARY OF AMENDMENT

The July 7, 1999, amendment expanded the bill beyond a mere expression of Legislative intent and would require organizations creating, maintaining, using, or disseminating records of personal information to take reasonable measures to ensure its reliability and to take reasonable precautions in protecting it from misuse.

The amendment also provided that an organization could only collect and keep personal data relevant for the purpose for which it has been gathered (and which is accurate, complete, and current), that an organization would provide individuals with reasonable access to information about themselves, and that the individuals would be permitted to correct or amend inaccurate information.

In addition, the amendment defined "organization" as being any state or local government agency, business, or not-for-profit organization.

Other than the Effective Date, Legislative History, and discussion of state law in the department's analysis of SB 129 as introduced December 22, 1998, the department's prior analyses no longer apply.

### Board Position:

<input type="checkbox"/> S	<input type="checkbox"/> NA	<input type="checkbox"/> NP
<input type="checkbox"/> SA	<input type="checkbox"/> O	<input type="checkbox"/> NAR
<input type="checkbox"/> N	<input type="checkbox"/> OUA	<input checked="" type="checkbox"/> PENDING

Department/Legislative Director Date

**Johnnie Lou Rosas** **7/23/1999**

### Implementation Considerations

Currently, the **Information Practices Act of 1977** requires state and local agencies to maintain in their records only that personal information relevant and necessary to their governmental purposes. The act also specifies that state and local agencies shall maintain their sources of information; that they shall maintain only relevant, accurate and complete records; that personal information only under specific circumstances shall be disclosed; and that the state or local agency shall maintain records regarding the disclosure of personal information and shall allow individuals access to information that pertains to them. Finally, the Information Practices Act establishes civil remedies for the enforcement of its provisions.

In addition, the **Revenue and Taxation Code** provides that information collected on income tax returns is considered confidential and, unless specifically available for other uses, shall be used only to administer the income tax laws. The Franchise Tax Board (FTB) may disclose information only in limited circumstances and only to specific agencies as authorized by statute.

As a result of the Information Practices Act of 1977 and the Revenue and Taxation Code requirements, the department already follows this bill's provisions. This bill would not significantly impact the department's programs and operations.

### Fiscal Impact

#### Departmental Costs

This bill would not impact the department's costs.

#### Tax Revenue Estimate

This bill would not impact the state's income tax revenue.

### BOARD POSITION

Pending.